



UNITED STATES PATENT AND TRADEMARK OFFICE

UNITED STATES DEPARTMENT OF COMMERCE
United States Patent and Trademark Office
Address: COMMISSIONER FOR PATENTS
P.O. Box 1450
Alexandria, Virginia 22313-1450
www.uspto.gov

APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
10/604,830	08/20/2003	FRANK HOWARD	34105	1829

7590 03/22/2005

Gerhard P. Shipley
4218 Roanoke Road,
Ste 305
Kansas City, MO 64111

EXAMINER

CHEUNG, MARY DA ZHI WANG

ART UNIT	PAPER NUMBER
----------	--------------

3621

DATE MAILED: 03/22/2005

Please find below and/or attached an Office communication concerning this application or proceeding.

Office Action Summary	Application No. 10/604,830	Applicant(s) HOWARD, FRANK	
	Examiner Mary Cheung	Art Unit 3621	

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If the period for reply specified above is less than thirty (30) days, a reply within the statutory minimum of thirty (30) days will be considered timely.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

Status

- 1) ☒ Responsive to communication(s) filed on 20 August 2003.
- 2a) ☐ This action is **FINAL**. 2b) ☒ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

Disposition of Claims

- 4) ☒ Claim(s) 1-19 is/are pending in the application.
- 4a) Of the above claim(s) _____ is/are withdrawn from consideration.
- 5) ☐ Claim(s) _____ is/are allowed.
- 6) ☒ Claim(s) 1-19 is/are rejected.
- 7) ☐ Claim(s) _____ is/are objected to.
- 8) ☐ Claim(s) _____ are subject to restriction and/or election requirement.

Application Papers

- 9) ☒ The specification is objected to by the Examiner.
- 10) ☒ The drawing(s) filed on 20 August 2003 is/are: a) ☒ accepted or b) ☐ objected to by the Examiner.
Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).
Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

Priority under 35 U.S.C. § 119

- 12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All b) ☐ Some * c) ☐ None of:
1. ☐ Certified copies of the priority documents have been received.
2. ☐ Certified copies of the priority documents have been received in Application No. _____.
3. ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).
- * See the attached detailed Office action for a list of the certified copies not received.

Attachment(s)

- | | |
|---|---|
| 1) <input checked="" type="checkbox"/> Notice of References Cited (PTO-892) | 4) <input type="checkbox"/> Interview Summary (PTO-413)
Paper No(s)/Mail Date. _____ |
| 2) <input type="checkbox"/> Notice of Draftsperson's Patent Drawing Review (PTO-948) | 5) <input type="checkbox"/> Notice of Informal Patent Application (PTO-152) |
| 3) <input checked="" type="checkbox"/> Information Disclosure Statement(s) (PTO-1449 or PTO/SB/08)
Paper No(s)/Mail Date <u>12/22/2003</u> . | 6) <input type="checkbox"/> Other: _____ |

DETAILED ACTION

Status of the Claims

1. This action is in response to the application filed on August 20, 2003. Claims 1-19 are pending.

Specification

2. The abstract of the disclosure is objected to because in line 3 of paragraph 23, the number "19" should be "18". Correction is required. See MPEP § 608.01(b).

Claim Rejections - 35 USC § 112

3. The following is a quotation of the second paragraph of 35 U.S.C. 112:

The specification shall conclude with one or more claims particularly pointing out and distinctly claiming the subject matter which the applicant regards as his invention.

4. Claims 5-11 are rejected under 35 U.S.C. 112, second paragraph, as being indefinite for failing to particularly point out and distinctly claim the subject matter which applicant regards as the invention.

Claims 5 and 11 recite the limitation "the payment" in lines 6-7. There is insufficient antecedent basis for this limitation in the claim.

Claims 6-10 are rejected for incorporating the errors of their respective base claim 5 by dependency.

Claim Rejections - 35 USC § 101

5. 35 U.S.C. 101 reads as follows:

Whoever invents or discovers any new and useful process, machine, manufacture, or composition of matter, or any new and useful improvement thereof, may obtain a patent therefor, subject to the conditions and requirements of this title.

6. Claims 1-11 are rejected under 35 U.S.C. 101 because the claimed invention is directed to non-statutory subject matter.

Art Unit: 3621

The basis of this rejection is set forth in a two-prong test of:

- (1) whether the invention is within the technological arts; and
- (2) whether the invention produces a useful, concrete, and tangible result.

For a claimed invention to be statutory, the claimed invention must be within the technological arts. Mere ideas in the abstract (i.e., abstract idea, law of nature, natural phenomena) that do not apply, involve, use, or advance the technological arts fail to promote the "progress of science and the useful arts" (i.e., the physical sciences as opposed to social sciences, for example) and therefore are found to be non-statutory subject matter. For a process claim to pass muster, the recited process must somehow apply, involve, use, or advance the technological arts.

In the present case, claims 1-11 only recite an abstract idea. The recited steps of merely mediating transactions between a purchaser and a merchant does not apply, involve, use, or advance the technological arts **since all of the recited steps can be performed in the mind of the user or by use of a pencil and paper**. These steps only constitute an idea of how to conduct business transaction over another.

Additionally, for a claimed invention to be statutory, the claimed invention must produce a useful, concrete, and tangible result. In the present case, the claimed invention conducts business transactions (i.e., useful, concrete and tangible).

Although the recited process produces a useful, concrete, and tangible result, since the claimed invention, as a whole, is not within the technological arts as explained above, claims 1-11 are deemed to be directed to non-statutory subject matter.

Applicant is advised to **implement computer technology** into the independent claims

Art Unit: 3621

1, 5 and 11 in order to overcome this rejection, such as "electronically receiving at the transaction center...".

Claim Rejections - 35 USC § 102

7. The following is a quotation of the appropriate paragraphs of 35 U.S.C. 102 that form the basis for the rejections under this section made in this Office action:

A person shall be entitled to a patent unless –

(b) the invention was patented or described in a printed publication in this or a foreign country or in public use or on sale in this country, more than one year prior to the date of application for patent in the United States.

8. Claims 1-6 are rejected under 35 U.S.C. 102(b) as being anticipated by Tsiounis et al., U. S. Patent Application Publication No.: US 2001/0039535 A1.

As to claims 1 and 3-5, Tsiounis teaches a method of mediating a business transaction, the method comprising the steps of (abstract):

(a) providing a transaction center to act as a third-party intermediary between a purchaser and a participating merchant (Fig. 1);

(b) providing a card for use by the purchaser to make the payment, wherein the card is associated with a monetary value (paragraphs 24, 42-43 and Fig. 1);

(c) receiving at the transaction center order information from the purchaser (paragraph 43 and Fig. 1);

(d) receiving at the transaction center payment information from the purchaser, wherein the payment information is associated with the card (paragraphs 24, 42-43 and Figs. 1);

Art Unit: 3621

(e) verifying the validity of the card, verifying the monetary value, and debiting the monetary value by an amount substantially equal to the payment (paragraph 52 and Fig. 1);

(f) forwarding the order information to the participating merchant and substantially simultaneously confirming payment to the participating merchant (paragraph 52 and Fig. 1).

As to claims 2 and 6, Tsiounis further teaches receiving an order confirmation from the participating merchant (paragraph 52 and Fig. 1); and forwarding the order confirmation to the purchaser (see page 10 claim 11).

Claim Rejections - 35 USC § 103

9. The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

10. Claims 7-11 are rejected under 35 U.S.C. 103(a) as being unpatentable over Tsiounis et al., U. S. Patent Application Publication No.: US 2001/0039535 A1 in view of Barlow et al., U. S. Patent 6,038,551.

As to claim 7, Tsiounis teaches an electronic card is used for conducting the business transaction (paragraph 42). Tsiounis does not specifically teach the card includes a storage medium for storing non-personal information including an encrypted authentication number for verifying a validity of the card, and for storing personal information including a name and a shipping address for the purchaser, and a selection

Art Unit: 3621

mechanism for allowing the purchaser to selectively withhold or transmit the personal information stored on the card. However, Barlow teaches customizing information on an electronic card (column 13 lines 20-55 and Fig. 5), and the electronic card is used for conducting business transaction includes a storage medium for storing non-personal information and personal information, and a selection mechanism for allowing the purchaser to selectively withhold or transmit the personal information stored on the card (column 11 line 66 – column 12 line 14 and Fig. 3). Barlow does not specifically teach the non-personal information including an encrypted authentication number and the personal information including a name and a shipping address for the purchaser. It would have been obvious to one of ordinary skill in the art to allow the non-personal information in Barlow's teaching to include an encrypted authentication number and the personal information to include a name and a shipping address for the purchaser for better customizing the electronic card based on the user's needs. Furthermore, it would have been obvious to one of ordinary skill in the art at the time the invention was made to allow the electronic card in Tsiounis' teaching to include the non-personal information, personal information, and the selection mechanism as taught by the modified teaching of Barlow for allowing the electronic card user to better control his or her information related to the business transaction.

As to claim 8, Barlow further teaches the selection mechanism is a mechanical sliding switch provided on the card (column 7 lines 51-63).

As to claim 9, Tsiounis teaches the stored information further includes the monetary value associated with the card (paragraph 52).

As to claim 10, Tsiounis teaches wherein the card is associated with a remotely maintained account wherein is stored the monetary value associated with the card (paragraph 52 and Figs. 1, 3, 5-6).

As to claim 11, Tsiounis teaches a method of mediating a business transaction, the method comprising the steps of:

- (a) providing a transaction center to act as a third-party intermediary between a purchaser and a participating merchant (Fig. 1);
- (b) providing a card for use by the purchaser to make the payment, wherein the card is associated with a monetary (paragraphs 24, 42-43 and Fig. 1);
- (c) receiving at the transaction center order information from a purchaser (paragraph 43 and Fig. 1);
- (d) receiving at the transaction center payment information from the purchaser, wherein the payment information is associated with the card (paragraphs 24, 42-43 and Figs. 1);
- (e) verifying a validity of the card, verifying the monetary value, and debiting the monetary value by an amount substantially equal to the payment (paragraph 52 and Fig. 1);
- (f) forwarding the order information to the participating merchant and substantially simultaneously confirming payment to the participating merchant (paragraph 52 and Fig. 1);
- (g) receiving an order confirmation from the participating merchant (paragraph 52 and Fig. 1);
- (h) forwarding the order confirmation to the purchaser (see page 10 claim 11).

Tsiounis does not specifically teach the card includes a storage medium for storing non-personal information including an encrypted authentication number for verifying a validity of the card, and for storing personal information including a name and a shipping address for the purchaser, and a selection mechanism for allowing the purchaser to selectively withhold or transmit the personal information stored on the card. However, Barlow teaches customizing information on an electronic card (column 13 lines 20-55 and Fig. 5), and the electronic card is used for conducting business transaction includes a storage medium for storing non-personal information and personal information, and a selection mechanism for allowing the purchaser to selectively withhold or transmit the personal information stored on the card (column 11 line 66 – column 12 line 14 and Fig. 3). Barlow does not specifically teach the non-personal information including an encrypted authentication number and the personal information including a name and a shipping address for the purchaser. It would have been obvious to one of ordinary skill in the art to allow the non-personal information in Barlow's teaching to include an encrypted authentication number and the personal information to include a name and a shipping address for the purchaser for better customizing the electronic card based on the user's needs. Furthermore, it would have been obvious to one of ordinary skill in the art at the time the invention was made to allow the card in Tsiounis' teaching to include the non-personal information, personal information, and the selection mechanism as taught by the modified teaching of Barlow for allowing the electronic card user to better control his or her information related to the business transaction.

Art Unit: 3621

11. Claims 12-19 are rejected under 35 U.S.C. 103(a) as being unpatentable over Barlow et al., U. S. Patent 6,038,551.

As to claims 12 and 16, Barlow teaches a card for use by a purchaser to affect payment during a business transaction, the card comprising a storage medium for storing non-personal information and personal information; and a selection mechanism for allowing the purchaser to selectively withhold or transmit the personal information stored on the card (column 11 line 66 – column 12 line 14 and column 13 lines 56-65 and Fig. 3). Barlow does not specifically teach the non-personal information including an encrypted authentication number and the personal information including a name and a shipping address for the purchaser. It would have been obvious to one of ordinary skill in the art to allow the non-personal information in Barlow's teaching to include an encrypted authentication number and the personal information to include a name and a shipping address for the purchaser for better customizing the electronic card based on the user's needs.

As to claims 13 and 17, Barlow further teaches the selection mechanism is a mechanical sliding switch provided on the card (column 7 lines 51-63).

As to claims 14 and 18, Barlow teaches the stored information further includes the monetary value associated with the card (Fig. 6).

As to claims 15 and 19, Tsiounis teaches wherein the card is associated with a remotely maintained account wherein is stored the monetary value associated with the card (Figs. 2, 5-6).

Conclusion

12. The prior art made of record and not relied upon is considered pertinent to applicant's disclosure.

Gifford (U. S. Patent 5,724,424) discloses digital active advertising.

Walker et al. (U. S. Patent 5,794,207) discloses effectuating bilateral buyer-driven commerce.

Barrett et al. (United States Patent Application Publication No. US2001/0042051 A1) discloses conducting a transaction over a network between a consumer and a merchant.

Moreau et al. (United States Patent Application Publication No. US2002/0069166 A1) discloses facilitating buying and selling transactions.

Sutton et al. (United States Patent Application Publication No. US2002/0120530 A1) discloses transacting an anonymous purchase over the Internet.

Uzo (United States Patent Application Publication No. US2003/0061170 A1) discloses making secure electronic payments.

Ogmen (United States Patent Application Publication No. US2003/0126080 A1) discloses processing a credit card transaction between a seller and a buyer over a network using a credit company.

Montiel (WO 02/29742 a1) discloses secure Internet paying agent with mobile telephone validation.

Art Unit: 3621

Inquire

Any inquiry concerning this communication or earlier communications from the examiner should be directed to Mary Cheung whose telephone number is (703)-305-0084. The examiner can normally be reached on Monday – Thursday from 10:00 AM to 7:30 PM. The examiner can also be reached on alternate Fridays.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, James Trammell, can be reached on (703) 305-9768.

Any inquiry of a general nature or relating to the status of this application or proceeding should be directed to the receptionist whose telephone number is 703-308-1113.

The fax phone number for the organization where this application or proceedings is assigned are as follows:

(703) 872-9306 (Official Communications; including After Final
Communications labeled "BOX AF")

(703) 746-5619 (Draft Communications)

Hand delivered responses should be brought to Crystal Plaza Two, Room 1B03.

Mary Cheung
Patent Examiner
Art Unit 3621
March 15, 2005

